



National Electrical and Communications Association Queensland Branch

ABN 96 409 004 653

Financial Statements For the Year Ended 30 June 2024

Annual Financial Statements
For the year ended 30 June 2024

Contents

Independent Audit Report	3
Report Required under subsection 255(2A)	6
Operating Report	7
Committee of Management Statement	9
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to and Forming Part of the Financial Statements	14
Officer Declaration Statement	36

Independent Audit Report to the Members of National Electrical and Communications Association Queensland Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of National Electrical and Communications Association Queensland Branch (the reporting unit), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 30 June 2024, and notes to the financial statements, including a summary of material accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of National Electrical and Communications Association Queensland Branch as at 30 June 2024, and its financial performance and its cash flows for the year ended on that date in accordance with:

- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Some of the Crowe personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation Crowe's personnel involved in preparing this document, please speak to your Crowe adviser.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2024 Findex (Aust) Pty Ltd

Information Other than the Financial Report and Auditor's Report Thereon

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the ability of the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the reporting unit audit. We remain solely responsible for our audit opinion.

We communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

I declare that I am an auditor registered under the RO Act.

Crowe Audit Australia.

Crowe Audit Australia

BRD

Barbara Richmond
Partner

29 October 2024
Sydney

Registration number (as registered by the Commissioner under the RO Act): (AA2023/1)

Report Required Under Subsection 255(2A)
For the year ended 30 June 2024

The Committee of Management presents the expenditure report as required under subsection 255(2A) on National Electrical and Communications Association Queensland Branch for the year ended 30 June 2024.

Categories of expenditure	2024	2023
	\$	\$
Remuneration and other employment-related costs and expenses – employees	261,959	237,317
Advertising	3,166	11,389
Operating costs	894,068	661,180
Donations to political parties	-	-
Legal costs	-	-

Signature of designated officer



Name of designated officer OLIVER JUDD
Title of designated officer EXECUTIVE DIRECTOR

Dated: 29/10/2024

Operating Report
For the year ended 30 June 2024

The Committee of Management presents its report on the National Electrical and Communications Association Queensland Branch ("**the Branch**") for the financial year ended 30th of June 2024.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities of the Branch during the financial year were to represent the interests of its members in the electro technology industry. The main activities were providing industrial relations advice, Work, Health and Safety advice and technical advice.

Non-Financial Results

The Branch's policy function advocates on behalf of the Branch's members to government, the media and other relevant opinion makers to try to create and maintain a conducive business and regulatory environment for its members. This is principally accomplished through submissions to government inquiries, media releases and directly liaising with politicians, regulators and public servants.

The Branch also disseminates information to members regarding political and regulatory developments, in order to assist them in complying with regulations and to take advantage of and mitigate risks relating to issues affecting their businesses.

Significant changes in financial affairs

No significant change in the financial affairs of the Branch occurred during the year.

Significant events

No significant events occurred relating to the Branch during the year.

After balance date events

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Branch, the results of those operations, or the state of affairs of the Branch in subsequent financial periods.

Right of members to resign

Members may resign from the Branch in accordance with Rule 15, Resignation from Membership, of the Federal rules of the National Electrical and Communications Association. Rule 15 conforms with Section 174 of the Fair Work (Registered Organisations) Act 2009.

Number of members

The Branch had 543 (2023: 488) members at financial year end.

Number of employees

The Branch had 2 full time equivalent (2023: 1.83 FTE) employees at financial year end.

Operating Report (continued)
For the year ended 30 June 2024

Officers or members who are superannuation fund trustees or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

To the best of knowledge and belief, no officer or member of the organisation, by virtue of their office or membership of the Branch is:

- (i) A trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) A director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme;

Where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

Names of Committee of Management members and period positions held during the financial year

Name	Position	Period
David James	President	1 July 2023 - 30 June 2024
Dave McInnes	Committee Member	1 July 2023 - 18 June 2024 (resigned 18 June 2024)
Trish Elsdon	Vice President	1 July 2023 - 30 June 2024
Russel Thompson	Treasurer	1 July 2023 - 3 July 2023 (resigned 3 July 2023)
Gavin Peterson	Committee Member	1 July 2023 - 30 June 2024
Heidi Jonsson	Committee Member	1 July 2023 - 30 June 2024
Bob Davis	Committee Member	1 July 2023 - 25 July 2023 (resigned 25 July 2023)
Bob Davis	Treasurer	25 July 2023 - 30 June 2024 (appointed 25 July 2023)
Michael Davis	Committee Member	1 July 2023 - 30 June 2024
David Lethbridge	Committee Member	3 July 2023 - 30 June 2024 (appointed 03 July 2023)
Robert McClelland	Committee Member	18 June 2024 - 30 June 2024 (appointed 18 June 2024)

Signature of prescribed designated officer



Name of prescribed designated officer OLIVER JUDD
Title of prescribed designated officer EXECUTIVE DIRECTOR

Dated: 29/10/2024

Committee of Management Statement
For the year ended 30 June 2024

On 29/10/2024 the Committee of Management of the National Electrical and Communications Association Queensland Branch ("**the Branch**") passed the following resolution in relation to the general purpose financial report ("**GPFR**") for the year ended 30 June 2024:

The Committee of Management declares that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
- d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the GPFR relates and since the end of that year:
 - i. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a Branch concerned; and
 - ii. the financial affairs of the Branch have been managed in accordance with the rules of the organisation including the rules of a Branch concerned; and
 - iii. the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
 - iv. where the organisation consists of two or more reporting units, the financial records of the reporting units have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the Branch or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
 - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the committee of management.

Signature of designated officer



Name of designated officer OLIVER JUDD
Title of designated officer EXECUTIVE DIRECTOR

Dated: 29/10/2024

Statement of Comprehensive Income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue from contracts with customers			
Membership subscription		591,516	490,574
Other revenue from another reporting unit	3A	106,385	110,381
Membership services		161,648	138,615
Product sales		-	-
Total revenue from contracts with customers		859,549	739,570
Other income			
Investment income	3B	3,759	232
Other income	3C	296,676	183,115
Total other income		300,435	183,347
Total revenue and other income		1,159,983	922,917
Expenses			
Employee expenses	4A	(261,959)	(237,317)
Cost of sales - membership services		(44,269)	(27,569)
Capitation fees and other expense to another reporting unit	4B	(541,792)	(457,582)
Affiliation and subscription fees	4C	-	-
Administration expenses	4D	(273,851)	(162,915)
Depreciation and amortisation	4E	(8,196)	(8,793)
Audit fees	12	(9,000)	(6,500)
Other expenses	4F	(20,127)	(9,210)
Total expenses		(1,159,193)	(909,886)
Surplus for the year		790	13,031
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year		790	13,031

The above statement of comprehensive income should be read in conjunction with the accompanying notes

Statement of Financial Position
As At 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	5A	167,208	448,906
Trade and other receivables	5B	74,759	82,944
Prepayments	5C	38,474	55,399
Total current assets		280,441	587,249
Non-current assets			
Plant and equipment	6A	2,615	9,229
Other financial assets	6B	191,279	-
Total non-current assets		193,894	9,229
Total assets		474,335	596,478
LIABILITIES			
Current liabilities			
Trade payables	7A	3,314	127,499
Other payables	7B	23,419	31,598
Contract liabilities	7C	109,043	98,689
Employee provisions	8A	7,435	10,434
Total current liabilities		143,211	268,220
Non-current liabilities			
Employee provisions	8A	4,843	2,768
Total non-current liabilities		4,843	2,768
Total liabilities		148,054	270,988
Net assets		326,281	325,490
EQUITY			
Retained earnings		326,280	325,490
Total equity		326,280	325,490

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of Changes in Equity
For the year ended 30 June 2024

	Retained earnings	Total equity
	\$	\$
Balance at 1 July 2022	312,459	312,459
Surplus for the year	13,031	13,031
Other comprehensive income for the year	-	-
Closing balance as at 30 June 2023	325,490	325,490
Balance at 1 July 2023	325,490	325,490
Surplus for the year	790	790
Other comprehensive income for the year	-	-
Closing balance as at 30 June 2024	326,280	326,280

Statement of Cash Flows
For the year ended 30 June 2024

	2024	2023
Note	\$	\$
OPERATING ACTIVITIES		
Cash received		
Receipts from customers	1,159,442	880,865
Receipts from other reporting units	9B 102,186	121,898
Interest	3B 3,759	232
Cash used		
Payments to suppliers and employees	(496,859)	(284,566)
Payment to other reporting units	9B (857,365)	(731,260)
Net cash used by operating activities	9A (88,837)	(12,831)
INVESTING ACTIVITIES		
Cash received		
Proceeds from disposal of managed investment schemes	273,117	-
Cash used		
Purchase of managed investment schemes	(464,396)	-
Purchase of plant and equipment	(1,583)	(1,772)
Net cash used by investing activities	(192,862)	(1,772)
Net decrease in cash held	(281,699)	(14,603)
Cash & cash equivalents at the beginning of the reporting period	448,906	463,509
Cash & cash equivalents at the end of the reporting period	5A 167,207	448,906

Notes to and Forming Part of the Financial Statements

Note 1	Summary of material accounting policies
Note 2	Events after the reporting period
Note 3	Revenue and Income
Note 4	Expenses
Note 5	Current assets
Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Other liabilities
Note 9	Cash flow
Note 10	Contingent liabilities, assets and commitments
Note 11	Related party disclosures
Note 12	Remuneration of auditors
Note 13	Financial instruments
Note 14	Association Details
Note 15	Administration of financial affairs by a third party
Note 16	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

Notes to the Financial Statements
For the year ended 30 June 2024

Note 1 Summary of material accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that apply for the reporting period, and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, National Electrical and Communications Association Queensland ("**the Branch**") is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.3 Significant accounting judgements and estimates

The Committee of Management make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgements made have been described below.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

The Branch determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1.7, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

1.4 New Australian accounting standards

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year.

No accounting standard has been adopted earlier than the application date stated in the standard.

1.5 Acquisition of assets and or liabilities that do not constitute a business combination

The Branch did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

1.6 Revenue

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Branch has a contract with a customer, the Branch recognises revenue when or as it transfers control of goods or services to the customer. The Branch accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Branch.

If there is only one distinct membership service promised in the arrangement, the Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Branch promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Branch allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the branch charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

1.6 Revenue (continued)

For member subscriptions paid annually in advance, the Branch has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the goods or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the branch at their standalone selling price, the Branch accounts for those sales as a separate contract with a customer.

Income of the Branch as a Not-for-Profit Entity

Consideration is received by the Branch to enable the entity to further its objectives. The Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the branch obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the branch recognition of the cash contribution does not give to any related liabilities.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Interest income

Interest revenue is recognised on an accrual basis using the effective interest method.

1.7 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The Branch recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

1.8 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

1.9 Financial instruments

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument.

1.10 Financial assets

Contract assets and receivables

A contract asset is recognised when the Branch's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Branch's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("**OCI**"), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' ("**SPPI**") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

+A252

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Branch commits to purchase or sell the asset.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

1.10 Financial assets (continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at amortised cost

The Branch measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Branch's financial assets at amortised cost includes trade receivables and loans to related parties.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the Branch has transferred substantially all the risks and rewards of the asset, or
 - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

1.10 Financial assets (continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Expected credit losses

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Branch applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

1.11 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Branch performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Branch's refund liabilities arise from customers' right of return. The liability is measured at the amount the Branch ultimately expects it will have to return to the customer. The Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

1.12 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.13 Land, buildings, plant and equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

1.13 Land, buildings, plant and equipment (continued)

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2024	2023
Right of use	5 Years	5 Years
Plant and equipment	2-5 years	2-5 years

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.14 Taxation

The Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax ("**FBT**") and the Goods and Services Tax ("**GST**").

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.15 Going concern

The financial report has been prepared on the going concern basis. The committee of management believe there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable.

Note 2 Events after the reporting period

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Branch, the results of those operations, or the state of affairs of the Branch in subsequent financial periods.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 3 Revenue and income

Disaggregation of revenue from contracts with customers

A disaggregation of the Branch's revenue by type of arrangements is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer.

	2024 \$	2023 \$
Type of customer		
Members	753,164	629,189
Other reporting units	106,385	110,381
Total revenue from contracts with customers	859,549	739,570

Note 3A: Other revenue from another reporting unit

Reporting unit's

National Electrical and Communications Association - National Office

Other income

1,252 -

National Electrical and Communications Association - New South Wales Branch

Other income

7,645 -

Insurance commission

25,454 17,181

Related parties

ECA Training Pty Ltd

Other income

43,200 43,200

Australian Cabler Registration Service Pty Ltd

Sponsorship income

20,000 50,000

NECA Trade Services Pty Ltd

Other income

8,834 -

Total other revenue from other reporting unit

106,385 110,381

Note 3B: Investment income

Interest

Deposits

3,759 232

Total investment income

3,759 232

Note 3C: Other income

Fuel scheme income

3,397 1,928

Insurance commission

9,375 -

Events and conferences

Conferences

- -

Excellence awards - ticket sales

41,848 28,055

Sponsorship income

153,805 150,029

Roadshow income

6,612 -

Other events

67,887 (147)

Other income

13,752 3,250

Total other income

296,676 183,115

Notes to the Financial Statements
For the year ended 30 June 2024

Note 4 Expenses

Note 4A: Employee expenses

Holders of office:

Wages and salaries

Superannuation

Leave and other entitlements

Total employee expenses holders of office

Employees other than office holders:

Wages and salaries

Superannuation

Leave and other entitlements

Separation and redundancies

Other employee expenses

Total employee expenses employees other than office holders

Total employee expenses

2024	2023
\$	\$
-	-
-	-
-	-
-	-
219,446	196,356
24,139	18,824
(926)	3,858
-	-
19,300	18,279
261,959	237,317
261,959	237,317

Note 4B: Capitation fees and other expense to another reporting unit

Capitation fees

National Electrical and Communications Association - National Office

Subtotal capitation fees

107,926	97,543
107,926	97,543

Other expense to another reporting unit

National Electrical and Communications Association - New South Wales Branch

Management fee expense

National Electrical and Communications Association - National Office

Other expenses

Related parties

NECA Trade Services Pty Ltd

Other expenses

NECA Legal Pty Ltd

Other expenses

ECA Training Pty Ltd

Other expenses

Total other expense to another reporting unit

Total capitation fees and other expense to another reporting unit

222,096	127,126
93,550	157,824
700	174
63,672	24,590
53,848	50,325
433,866	360,039
541,792	457,582

Note 4C: Affiliation and subscription fees

Subscriptions

Total affiliation fees and subscriptions

-	-
-	-

Note 4D: Administration expenses

Conference and meeting expenses

Property expenses

Office expenses

Information communications technology

Computer expenses

Travel and accommodation expenses

Motor vehicle expenses

Other

Subtotal administration expense

185,096	98,709
-	450
1,883	1,070
1,584	1,535
19,540	14,337
46,085	33,417
10,157	8,877
9,506	4,520
273,851	162,915

Notes to the Financial Statements
For the year ended 30 June 2024

Note 4D: Administration expenses (continued)

Leases

Short-term lease payments

Total administration expenses

2024 \$	2023 \$
-	-
273,851	162,915

Note 4E: Depreciation

Property, plant and equipment

Total depreciation

8,196	8,793
8,196	8,793

Note 4F: Other expenses

Insurance

Bad debts

Other expenses

Total other expenses

8,323	7,468
7,115	1,742
4,689	-
20,127	9,210

Note 5 Current assets

Note 5A: Cash and cash equivalents

Cash at bank

Total cash and cash equivalents

167,208	448,906
167,208	448,906

Note 5B: Trade and other receivables

Receivables from other reporting units

National Electrical and Communications Association - Tasmanian Branch

Receivables from related parties

ECA Training Pty Ltd

NECA Electrical Apprenticeships

Australian Cabler Registration Service Pty Ltd

Total receivables from other reporting units

2,108	-
7,769	-
-	17,454
-	4,583
9,877	22,037

Less allowance for expected credit losses

Total allowance for expected credit losses

Receivable from other reporting units (net)

-	-
-	-
9,877	22,037

Other receivables:

Trade receivables

Other receivables

Total other receivables

71,013	65,952
-	-
71,013	65,952

Less allowance for expected credit losses

Total allowance for expected credit losses

Other receivables (net)

Total trade and other receivables (net)

(6,131)	(5,045)
(6,131)	(5,045)
64,882	60,907
74,759	82,944

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

Balance at beginning of year

Reversal of unused provision recognised in the Statement of Comprehensive income

Balance at end of year

(5,045)	(5,967)
(1,086)	922
(6,131)	(5,045)

Notes to the Financial Statements
For the year ended 30 June 2024

Note 5 Current assets (continued)

Note 5C: Prepayments

Prepayments - general

Prepayments - event costs

Total other current assets

2024	2023
\$	\$
19,451	10,747
19,023	44,652
38,474	55,399

Note 6 Non-current assets

Note 6A: Plant and equipment

Plant and equipment

Plant and equipment at cost

Less accumulated depreciation

Total plant and equipment

49,679	48,096
(47,064)	(38,867)
2,615	9,229

Reconciliations of the carrying amounts of each class of asset

Balance at 1 July

Additions

Disposals

Depreciation

Balance at 30 June

9,229	16,250
1,583	1,772
-	-
(8,197)	(8,793)
2,615	9,229

Note 6B: Other Financial Assets

Managed investment schemes

Investment portfolio

Total non-current Managed investment schemes

191,279	-
191,279	-

Note 7 Current liabilities

Note 7A: Trade payables

Trade creditors and accruals

Total trade creditors

17,400	24,497
17,400	24,497

Payables to other reporting units

National Electrical and Communications Association - National Office

National Electrical and Communications Association - New South Wales Branch

Payables to related parties

ECA Training Pty Ltd

NECA Legal Pty Ltd

Total payables to other reporting units

Total trade payables

11,964	71,561
2,062	23,701
(11,880)	-
(16,232)	7,740
(14,086)	103,002
3,314	127,499

Settlement is usually made within 30 days.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 7B: Other payables

	2024 \$	2023 \$
Wages and salaries	10,485	21,127
Superannuation	1,881	2,393
GST payable	8,331	3,113
Other payables	2,722	4,965
Total other payables	23,419	31,598

Total other payables are expected to be settled in:

No more than 12 months	26,733	159,097
More than 12 months	-	-
Total other payables	26,733	159,097

Note 7C: Contract liabilities

Current

Income in advance	109,043	98,689
Total contract liabilities	109,043	98,689

Note 8 Other liabilities

Note 8A: Employee provisions

Office holders:

Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-

Employees other than office holders:

Annual leave	7,435	10,434
Long service leave	4,842	2,769
Separation and redundancies	-	-
Other	-	-
Total employee provisions - employees other than office holders	12,277	13,203
Total employee provisions	12,277	13,203

Current	7,435	10,434
Non Current	4,843	2,768
Total employee provisions	12,278	13,202

The Officer Holder(s) annual leave and long service leave provisions are provided for by the Employer, the National Electrical and Communications Association – National Office and as such, the Branch carries no (2023 : NIL) provisions in the accounts.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 9 Cash flow

Note 9A: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:

Cash and cash equivalents as per:

Cash flow statement	167,207	448,906
Balance sheet	167,208	448,906

Difference

(1)	-
-----	---

Reconciliation of surplus to net cash from operating activities:

Surplus for the year	790	13,031
----------------------	-----	--------

Adjustments for non-cash items

Depreciation/amortisation	8,196	8,793
---------------------------	-------	-------

Changes in assets / liabilities

(Increase)/decrease in net receivables	8,185	(30,511)
(Increase)/decrease in prepayments	16,925	(13,554)
Increase/(decrease) in trade payables	(124,184)	26,503
Increase/(decrease) in other payables	(8,179)	7,781
Increase/(decrease) in contract liabilities	10,354	(28,730)
Increase/(decrease) in employee provisions	(924)	3,856

Net cash used by operating activities

(88,837)	(12,831)
----------	----------

Note 9B: Cash flow Information

Cash inflows from operations

Other reporting units

National Electrical and Communications Association - National Office	-	66,000
--	---	--------

National Electrical and Communications Association - South Australia/Northern Territory Branch	27,500	-
--	--------	---

Related parties

ECA Training Pty Ltd	38,194	5,481
----------------------	--------	-------

NECA Trade Services Pty Ltd	7,609	-
-----------------------------	-------	---

NECA Legal Pty Ltd	-	-
--------------------	---	---

Australian Cabler Registration Service Pty Ltd	28,883	50,417
--	--------	--------

Total cash inflows	102,186	121,898
---------------------------	----------------	----------------

Cash outflows

Other reporting units

National Electrical and Communications Association - National Office	293,015	292,982
--	---------	---------

National Electrical and Communications Association - New South Wales Branch	410,425	371,825
---	---------	---------

National Electrical and Communications Association - Western Australian Branch	499	499
--	-----	-----

Related parties

ECA Training Pty Ltd	58,645	43,863
----------------------	--------	--------

NECA Trade Services Pty Ltd	770	191
-----------------------------	-----	-----

NECA Legal Pty Ltd	94,011	21,900
--------------------	--------	--------

Total cash outflows	857,365	731,260
----------------------------	----------------	----------------

Notes to the Financial Statements
For the year ended 30 June 2024

Note 10 Contingent liabilities, assets and commitments

There are no material financial contingencies to report at balance date.

Note 11 Related party disclosures

Note 11A: Related party transactions for the reporting period

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the year the Branch received subscriptions from committee member related entities on normal commercial terms and conditions.

Remuneration of committee members during the year was Nil (2023: Nil).

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	2024	2023
	\$	\$
Revenue received from:		
Other reporting units		
Refer to Note 3A: Other revenue from another reporting unit	106,385	110,381
Expenses paid to:		
Other reporting units		
Refer to Note 4B: Capitation fees and other expense to another reporting unit	541,792	457,582
Amounts owed by		
Other reporting units		
Refer to Note 5B: Trade and Other Receivables	9,877	22,037
Amounts owed to		
Other reporting units		
Refer to Note 7A: Trade payables	(14,086)	103,002

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2024, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2023: \$nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 11B: Key management personnel remuneration for the reporting period

There were no transactions with key management personnel in the current period (2023: \$nil).

Note 11C: Transactions with key management personnel and their close family members

Loans to/from key management personnel

The Branch has not provided or received any loans with key management personnel (2023: \$nil)

Other transactions with key management personnel

Committee members, directors and their related entities are able to use the services provided by the National Electrical and Communications Association. Such services are made available on terms and conditions no more favourable than those available to other members.

Note 12 Remuneration of auditors

Value of the services provided

Financial statement audit services

Total remuneration of auditors

	9,000	6,500
	9,000	6,500

The auditor is Crowe Audit Australia. The fees are stated net of GST.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 13 Financial instruments (continued)

Note 13B: Net income and expense from financial assets

Amortised cost

Interest revenue

Net income and expense from financial assets

	2024 \$	2023 \$
Note		
3B	3,759	232
	3,759	232

Note 13C: Credit risk

Exposure to credit risk relating to financial assets arises from the potential non performance by counterparties of contract obligations that could lead to a financial loss to the Branch and arises principally from the Branch's receivables.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the Statement of Financial Position.

The Branch has no significant concentration of credit risk with any single counterparty or Branch of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 5B.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 5B.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial assets

Trade receivables

Other Financial Assets

Total financial assets

5B	80,890	87,989
6B	191,279	-
	272,169	87,989

Notes to the Financial Statements
For the year ended 30 June 2024

Note 13 Financial instruments (continued)
Note 13C: Credit risk

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

	30 June 2024					
	Trade and other receivables					
	Days past due					
	On Demand	<30 days	30-60 days	61-90 days	>91 days	Total
		\$	\$	\$	\$	\$
Expected credit loss rate	0%	6.83%	8.01%	7.97%	-30.61%	
Estimate total gross carrying amount at default	-	77,102	3,837	1,402	(1,451)	80,890
Expected credit loss	-	5,268	307	112	444	6,131

	30 June 2023					
	Trade and other receivables					
	Days past due					
	On Demand	<30 days	30-60 days	61-90 days	>91 days	Total
		\$	\$	\$	\$	\$
Expected credit loss rate	0%	5.00%	6.00%	12.37%	12.95%	
Estimate total gross carrying amount at default	-	77,699	1,840	7,647	803	87,989
Expected credit loss	-	3,885	110	946	104	5,045

The Branch's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2024 and 2023 is the carrying amounts as illustrated in Note 13C.

Note 13D: Liquidity risk

Liquidity risk arises from the possibility that the Branch might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Branch manages this risk through the following mechanisms:

- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

Typically, the Branch ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 13 Financial instruments (continued)
Note 13D: Liquidity risk (continued)

Contractual maturities for financial liabilities 2024

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	26,733	-	-	-	26,733
Contract liabilities		109,043	-	-	-	109,043
Total	-	135,776	-	-	-	135,776

Contractual maturities for financial liabilities 2023

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	159,097	-	-	-	159,097
Contract liabilities	-	98,689	-	-	-	98,689
Total	-	257,786	-	-	-	257,786

Note 13E: Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments held within the Branch will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The exposure to market risk is a result of the asset allocation strategy prescribing investments across certain asset classes. The Branch is only exposed to interest rate risk and other price risk as detailed below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial market instrument will fluctuate because of changes in market interest rates. The Branch is affected by interest rate risk due to its directly held cash balances. The Branch does not have any floating rate debt instruments for both 2024 and 2023. The exposure to interest rate risk has a direct impact on the Statement of Comprehensive Income and Statement of Financial Position of the Branch.

Interest rate risk is measured and monitored by the calculation of the duration of the investment portfolios which approximates the percentage change in portfolio valuation from a percentage change in market interest rates.

Interest rate risk is measured and monitored by the calculation of the duration of the investment portfolios which approximates the percentage change in portfolio valuation from a percentage change in market interest rates. The only component of the financial instruments directly impacted by interest rates volatility for the purposes of quantifying the interest rate sensitivities are the cash holdings either within the individual portfolios or the master custodian accounts for the investment portfolio.

Notes to the Financial Statements
For the year ended 30 June 2024

Note 13 Financial instruments (continued)

Note 13E: Market risk (continued)

The following table illustrates sensitivities to the Branch's exposure to changes in interest rates on its directly held cash balances. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Sensitivity analysis of the risk that the entity is exposed to for 2024

	Change in risk variable %	Effect on	
		Profit \$	Equity \$
Interest rate risk	2%	3,344	3,344
Interest rate risk	-2%	(3,344)	(3,344)

Sensitivity analysis of the risk that the entity is exposed to for 2023

	Change in risk variable %	Effect on	
		Profit \$	Equity \$
Interest rate risk	2%	8,978	8,978
Interest rate risk	-2%	(8,978)	(8,978)

Management of the Branch assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2024 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Branch based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2024 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the Branch's financial assets and liabilities:

		Carrying amount 2024 \$	Fair value 2024 \$	Carrying amount 2023 \$	Fair value 2023 \$
Financial assets	Note				
Cash and cash equivalents	5A	167,208	167,208	448,906	448,906
Trade and other receivables	5B	74,759	74,759	82,944	82,944
Total		241,967	241,967	531,850	531,850
Financial liabilities					
Trade and other payables		26,733	26,733	159,097	159,097
Total		26,733	26,733	159,097	159,097

Notes to the Financial Statements
For the year ended 30 June 2024

Note 14 Association Details

The principal place of business of the Branch is:
National Electrical and Communications Association Queensland Branch
Suite 1.5 Ian Barclay Building, 460-492 Beaudesert Road
Salisbury QLD 4107

Note 15 Administration of financial affairs by a third party

Name of entity providing service:

ECA Training Pty Ltd

Terms and conditions:

ECA Training Pty Ltd will manage all of NECA QLD Branch operations for which it will charge a financial services fee of \$4,487 per month (2023: \$4,194 per month).

Nature of expenses/consultancy service:

Administration, Financial and Membership Services

Detailed breakdown of expenses incurred

	2024	2023
	\$	\$
Expenses		
NECA NSW - Member services	222,096	127,126
ECA Training - Financial services	53,848	50,325
NECA National - Administration services	93,550	157,824
Total expenses	369,494	335,275

Note 16 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- 1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- 2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- 3) A reporting unit must comply with an application made under subsection (1).

Officer declaration statement

I, Oliver Judd, being the Executive Director of the National Electrical and Communications Association Queensland Branch ("**the Branch**") declare that the following activities did not occur during the reporting period ending 30 June 2024.

The Branch did not:

- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to receive financial support from another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- pay affiliation fees to other entity
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- make a payment to a former related party of the reporting unit

Signature of designated officer



Name of designated officer OLIVER JUDD
EXECUTIVE DIRECTOR

Dated: 29/10/2024